

# Housing Procurement Progress Report

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# Why a revised procurement strategy?

- Post ballot strategy to fund investment gap to achieve the Decent Homes Standard and other works required to the stock:
  - Procurement strategy to maximise efficiencies from modern, long term partnering agreements for the maintenance and improvement of the council housing stock
  - Asset management plan, including new Local Delivery Vehicle to raise investment for council tenants' homes

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# Current procurement arrangements

- Capital contracts tendered annually with specified supply chains
  - annual tendering costly and inefficient
  - no incentive for contractors to invest in additional benefits
  - no access to contractors' own, cheaper supply chains
- 2 responsive and empty properties repairs partnering contracts of 5 years
- 2 gas installation and maintenance contracts for 5 years
- Ad hoc repairs to services such as lightning conductors and water tanks

# Aims of revised procurement strategy

- To tender both capital and revenue works as 10 year long term partnering agreements covering:
  - capital repairs and improvements
  - responsive repairs
  - planned maintenance
  - associated works
- To get the maximum efficiency and value for money by fully developing long term partnering agreements
- To reduce overheads and direct costs
- To achieve economies of scale
- To save an estimated £156 million over 30 years

## Aims of revised procurement strategy cont.

- Tenants at heart of maintenance and improvement work
- Proactive, planned service based on good asset management data incorporating tenants' aspirations
- Capital works programme prioritised to meet, as far as possible, Decent Homes, Housing Health & Safety Ratings System, sustainability targets and tenant priorities
- 3\* Audit Commission rating with excellent prospects for improvement
- Zero defects/right first time
- Additional benefits and improved contract management

## Tenant consultation and necessary approvals

- Procurement strategy approved by:
  - Housing Management Sub-Committee - 11 March 2008
  - Housing Committee - 27 March 2008
  - Policy & Resources Committee - 3 April 2008
- *Homing In* Repairs & Maintenance Special May 2008 and update September 2008

## Where are we up to now?

- Asset Management Panel including 12 tenants and leaseholders has been meeting regularly
- Constructors' Pre-Qualification Questionnaires (PQQs) being evaluated
- Invitation to tender (ITT) being prepared

## What is the timetable?

- Invitation to tender (ITT) to be sent to shortlisted constructors in December 2008
- Tenders to be evaluated January to April 2009
- Aim to award contracts in May 2009
- Then preparation and mobilisation period, including training, new IT
- Contracts to start on site April 2010